



FEDERAL RESERVE SYSTEM

12 CFR Chapter II

Docket No. R-1479 RIN 7100-AE-10

Complementary Activities, Merchant Banking Activities, and Other Activities of Financial Holding Companies related to Physical Commodities

AGENCY: Board of Governors of the Federal Reserve System.

ACTION: Advance notice of proposed rulemaking; extension of comment period.

SUMMARY: On January 21, 2014, the Board of Governors of the Federal Reserve System (Board) published in the *Federal Register* an advance notice of proposed rulemaking inviting public comment on various issues related to physical commodity activities conducted by financial holding companies and the restrictions imposed on these activities to ensure they are conducted in a safe and sound manner and consistent with applicable law.

Due to the range and complexity of the issues addressed in the advance notice of proposed rulemaking, the Board has determined that an extension of the public comment period until April 16, 2014, is appropriate. This action will allow interested persons additional time to analyze the notice and prepare their comments.

DATES: Comments on the proposed rule must be received on or before April 16, 2014.

ADDRESSES: You may submit comments by any of the methods identified in the advance notice of proposed rulemaking.¹ Please submit your comments using only one method.

¹ See Complementary Activities, Merchant Banking Activities, and Other Activities of Financial Holding Companies related to Physical Commodities, 79 FR 3329 (Jan. 21, 2014).

FOR FURTHER INFORMATION CONTACT: Laurie Schaffer, Associate General Counsel, (202) 452-2272, Michael Waldron, Special Counsel, (202) 452-2798; Benjamin McDonough, Senior Counsel, (202) 452-2036, April Snyder, Senior Counsel, (202) 452-3099, or Will Giles, Counsel, (202) 452-3351, Legal Division; or Mark Van Der Weide, Deputy Director, (202) 452-2263, Timothy Clark, Senior Associate Director, (202) 452-5264, Todd Vermilyea, Senior Associate Director, (202) 912-4310, or Robert Brooks, Senior Supervisory Financial Analyst, (202) 452-3103, Division of Banking Supervision and Regulation. Board of Governors of the Federal Reserve System, 20th and C Streets, NW., Washington, DC 20551. Telecommunications Device for the Deaf (TDD) users may contact (202-263-4869).

SUPPLEMENTARY INFORMATION:

On January 21, 2014, the Board published in the *Federal Register* (79 FR 3329) an advance notice of proposed rulemaking (ANPR) inviting public comment on various issues related to physical commodity activities conducted by financial holding companies (FHCs) and the restrictions imposed on these activities to ensure they are conducted in a safe and sound manner and consistent with applicable law. The ANPR is designed to elicit views from the public on the risks and benefits of allowing FHCs to conduct physical commodity activities under the various provisions of the Bank Holding Company Act, whether risks to the safety and soundness of a FHC and its affiliated insured depository institutions and to the financial system warrant Board action to impose limitations on the scope of authorized activities and/or the manner in which those activities are conducted, and if so, what those limits should be. Once the Board has

completed its review of this information, it will consider what further actions, including a rulemaking, are warranted.

In recognition of the complexities of the issues addressed and the variety of considerations involved with possible further actions, the Board requested that commenters respond to numerous questions. The ANPR stated that the public comment period would close on March 17, 2014.²

The Board has received a request from the public for an extension of the comment period to allow for additional time for comments related to the provisions of the proposed rule.³ The Board believes that the additional period for comment will facilitate public comment on the questions posed by the Board in the ANPR. Therefore, the Board is extending the end of the comment period for the ANPR from March 17, 2014, to April 16, 2014.

By order of the Board of Governors of the Federal Reserve System, acting through the Secretary of the Board under delegated authority, February 27, 2014.

Robert deV. Frierson,
Secretary of the Board.

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² *Id.*

³ See Comment letter to the Board from the American Bankers Association *et al.* (Feb. 7, 2014).